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## **Newly Announced Internal Revenue Service “Streamlined Installment Agreement” May Reduce Difficulty And Expense In Resolving Federal Income Tax Debt Problems**

### **Requirements:**

1. No financial statement required for tax debt of up to \$50,000;
2. Maximum term for repayment raised to 72 months (six years), up from 60 months, but must conclude before the collection statute of limitations expiration;
3. Taxpayer must agree to monthly direct debit payments (direct withdrawal from bank account);
4. Taxpayer must be current on all required tax returns (all required returns have been filed);
5. IRS can determine whether to file a tax lien or not;
6. May be done by telephone, in person, or correspondence;
7. Interest and penalties (penalties at a lesser rate) continue to accrue.

See, Internal Revenue Manual, 5.14.5.2 (3-11-2011)  
[www.irs.gov](http://www.irs.gov) Newsroom Announcement IR-2012-31, 3/7/2012